

On March 24, the DOJ announced that they concluded their investigation of the XM Satellite Radio and Sirius Satellite Radio merger. They concluded both companies, customers and shareholders now have to wait for the FCC to give the final approval. The DOJ spent well over six months, had approximately 30 layers and economist reviewing the merger. They received from SIRIUS and XM over 12 million pages of documents. There were several dozen subpoenas issued and responded to by interested parties, major players like content partners, OEM and retail partners, competitors and even bloggers were interviewed. The DOJ said in their final press release they interviewed scores of industry participants. There were also over a dozen depositions taken. They were viewers extensive and concluded the merger would not substantially reduce competition.

So, now we move to the FCC who needs to affirm the merger is in the public interest. There is nothing that is more in the public interest than committing to offer the American consumer more choices and lower prices, which is exactly what Sirius/XM has proposed. This is evident in the documents they provided both to the FCC and the DOJ.

As of today's date, the XM Satellite Radio and Sirius Satellite Radio merger has been in the hands of the FCC for over 400 days (and counting). The FCC historically tries to review deals within 180 days. There have been a total of four Congressional hearings on the matter. For comparison sake, the Exxon – Mobile merger only had one Congressional hearing, stretching their decision out 364 days. There was not a single Congressional hearing for the Chevron – Texaco merger, which took only 326 days to come to a decision over. Curious about more merger related information?

- AT&T and Bellsouth merger was completed in 299 days. This merger was valued at over 85 Billion dollars. Sirius/XM merger is valued at only around 8 billion.
- Sprint – Nextel merger was completed in only 231 days.
- The obviously powerful merger of Whirlpool and Maytag in only 219 days. This consolidated over 70% of the Washer/dryer market into a single company, happily approved by our government.

- n Whole Foods and Wild Oats: This deal was initially blocked by the Department of Justice, they went to court, argued their positions, and the merger was ultimately approved based on the judge's decision. Throughout everything INCLUDING the court trial, it took only 175 days!

The question stands: Is Satellite Radio more important than oil and gas? Is it something that is so necessary like a cell phone or land line? As of December 31st, 2007, these two companies combined for 17.3 million subscribers, posted a combined loss for the year of over \$1 billion dollars with a combined overall debt of \$2.8 billion, and comprise less than 5% of the radio listener audience.

The delay in coming to a decision in this merger is ridiculous. On December 12th, 2007 Representatives John Conyers and Steve Chabot wrote, "We were dismayed to learn of recent press reports suggesting that Justice Department staff may be trying to rush through the merger..." Keep in mind that this letter was written after the 180 day time clock at the FCC had already expired on the merger.

In addition to the inexcusable delays, you also find a number of companies trying to jump on the bandwagon and ride the coat tails of an emerging service. You have companies like iBiquity Digital Corporation who is the leader of the HD radio push attempting to force the FCC to make concessions that all satellite radio receivers should include HD receivers as well. US Electronics is also asking for concessions from the FCC, in that if the merger is approved, the combined Sirius/XM must release all of its trade secrets and open up for any company to start producing its radios. Finally, and in my opinion the most disgusting of them all, you have Georgetown Partners, LLC. Georgetown Partners, in this wonderful day and age, is throwing out the race card. They claim that Sirius/XM are not diversified enough, and they should be given 20% of the available spectrum to produce nation-wide commercial based radio. They of course give no details as to how this agreement should be made or any other information as to how they plan on going about this; they just want a MANDATED 20% of the spectrum as a "permanent" lease. This is despite the fact that a

large number of groups have come out in support of the merger, stating that Sirius/XM have one of the widest ranges of diversity available. These groups include:

- African Methodist Episcopal Church
- American Values
- FamilyNet
- Hispanic Federation
- League of United Latin American Citizens (LULAC)
- NAACP
- National Black Chamber of Commerce
- National Council of Women's Organizations
- New York State Federation of Hispanic Chambers of Commerce
- The Latino Coalition

And many, many more. The above listed groups are some of the largest and strongest minority groups alive today, and these groups are in favor of the merger because of the diversity. Yet Georgetown Partners, who is looking to make money off of the deal, states that they want the bandwidth because of the lack of diversity. Who do you choose to believe?

The merger has received widespread support from thousands of consumers, prominent individuals, members of Congress, former FCC Chairman, public interest groups, diversity organizations, retail and OEM partners, content providers, religious leaders and more -- it is time to pass this merger for the American people -- after all isn't that who the DOJ and FCC are there to protect? All the press reports of opportunistic parties trying to take advantage of the process and extract value for themselves that properly belongs to SIRIUS subscribers and shareholders is an absolute outrage!

In conclusion, I am sure you can see where I stand on the issue of the merger. I am in favor of it, both as a customer and as an investor. I will not hide the fact that I am an investor, but I have an extremely small stake in both companies. I come to you more as an American Citizen and a consumer. Consumers have overwhelmingly submitted comments to the FCC in favor of the merger. The anticipation of the merger is affecting consumers just

as much, if not more, than it is the investors in the company. I have been wanting to purchase a new vehicle, but I have put that off due to the merger, hoping that the merger would be approved and I could get a dual receiver in my new vehicle. Now, it does not look like that will happen. The two companies have held out putting out new innovative radios this past year, knowing that they would have to redesign them if the merger was approved. In short, the indecision of the Department of Justice and FCC have only helped to hurt the economy in a time when recession is looming. This statement may be a bit of a dramatization, but you get the picture. I am not asking you to listen to me. Admittedly, I may be a bit biased in favor of the merger. What I am asking you to do is ask your friends, your family members, your constituents that you are supposed to be supporting, and find out their position. But regardless of how you decide, it is time to come to a decision, and that fact needs to be pressed to both the Dept of Justice and the FCC as soon as possible. As you are surely aware, in parliamentary procedure it is known as Calling the Question. It is time for discussion to stop, and a decision to be made immediately. Approve the merger outright, approve it with concessions, or deny the merger outright, but it is time to let these two companies out of the limbo that they have been in for over a year now. The wait is ridiculous and it helps nobody but those who compete with them.

In closing, I'd like to share a quote from Thomas Jefferson:

"Government big enough to supply everything you need, is big enough to take everything you have... The course of history shows that as government grows, liberty decreases."